

Fact Sheet

In-Home Supportive Services (IHSS) Waiver

Key Milestones

- **Governor brings home California's fair share** - Governor Schwarzenegger delivered on his promise to aggressively seek federal financial assistance for California when he secured the *Independence Plus* program federal waiver, effective August 1, 2004, which awards new funding to the state.
- **\$1.7 billion in federal funding over five years** - California will receive \$340 million annually in new federal assistance over the next five years to support in-home care for Californians who are aged, blind and disabled.
- **Unprecedented federal and state cooperation** - The waiver was achieved through the successful collaborative efforts of the U.S. Department of Health and Human Services (HHS), Centers for Medicare & Medicaid Services (CMS), U.S. Office of Management and Budget, California Health and Human Services Agency, California Departments of Health Services and Social Services and California Healthcare Foundation.
- **Federal Medicaid support of in-home care by family members** - The approval of the waiver allows for federal Medicaid support of in-home care for the aged, blind and disabled by relative caregivers. Essentially, CMS recognizes care provided by family members as similar to care provided by hired professionals.
- **Supports goals of the Olmstead Supreme Court Decision** - In keeping with California's Olmstead Plan, designed to strengthen and offer services to the disabled that discourages institutionalized care services, the waiver provides support for individuals to remain in the comfort of their homes and communities while receiving care.
- **Uninterrupted services to recipients and caregivers** - Approximately 66,000 disabled and elderly recipients and their providers will continue to receive in-home service benefits under the waiver.
- **Record processing time** - Approval of the waiver was achieved within four months. The request was submitted May 4, 2004, and final approval was granted August 1, 2004. Typically, the process takes significantly more time to complete.

Waiver Process

In February 2004, Governor Schwarzenegger met with HHS Secretary Tommy G. Thompson to discuss federal financial assistance to save California's IHSS Residual program, which was funded solely by state and county funds. Affected services identified for possible elimination included services provided by parent or spouse caregivers, domestic services, restaurant meal allowances, protective supervision and advance pay for providers. Since mid-March, staff from the Departments of Health Services and Social Services, with support from the California Healthcare Foundation, have worked in tandem to develop a waiver to preserve essential resources for spouse and parent caregivers through the IHSS program.

California received unprecedented cooperation from CMS. Staff from the U.S. Office of Management and Budget was also instrumental in ensuring that the waiver met federal budget requirements. This approval uses an innovative program established in President Bush's New Freedom Initiative called the *Independence Plus* program.

IHSS Background

The IHSS program was created in 1973 to enable elderly, blind and individuals with disabilities to live in the community, rather than in a formal institutional care facility. This concept was decades ahead of other states. California amended its Medi-Cal plan to begin to include IHSS services that could be covered by the federal Medicaid program beginning in November 1992.

In 1999, the Supreme Court issued the Olmstead Decision. In the decision, states were instructed to comply with the Americans with Disabilities Act and exercise due diligence in providing community-based services for persons with disabilities who would otherwise be entitled to institutional services. Following the ruling, HHS advised states to develop a comprehensive plan to strengthen their community service systems and offer services to disabled persons in the least restrictive environment. This led to the establishment of California's Olmstead Plan in May 2003.

With the federal waiver approval, California continues its commitment to the Olmstead Plan. The IHSS program, which includes Personal Care Services and programs covering services provided by parents and spouses, is the largest of its kind in the country, and California proudly leads the nation in providing its recipients with acceptable alternatives to institutionalization.

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